

Regulator to launch new Consumer Protection programme

In a move to reflect the additional/different consumer protection needs presented by COVID-19 we are launching a new Consumer Protection Programme (CPP), which is focused on the most vulnerable consumers.

The new programme will build on key consumer challenges, such as the identification of vulnerable consumers and the need for clear, transparent and timely communications, which had previously been identified as the fundamental issues for consumers. These challenges remain and indeed have been magnified by COVID-19. We will continue this important work through the new phase of the CPP.

Commenting on the new CPP, Kevin Shiels Director of Retail and Consumer Protection at the Utility Regulator said:



We have identified the impact of increasing levels of domestic debt associated with economic difficulties of the pandemic. The revised CPP will now have a clear focus on debt, looking at supplier debt communications, assessment of ability to pay and research on consumer lived experience of energy debt and how to further support those customers who need it.

We will also explore the emerging issues around digital exclusion for utility consumers. More companies are using digital channels for services, messaging, notifications and engagement with their customers. We will explore the potential for a 'digital divide' with a view to protecting those who are digitally excluded due to lack of access to opportunities, knowledge, goods and services.



The new programme will run until April 2024 to align with the delivery of our corporate strategy. This will ensure the CPP remains at the core of our work and at the same time help directly inform the development of the new corporate strategy. It will also ensure the CPP remains current in light of a rapidly changing landscape of energy transition in Northern Ireland.

Supporting consumers in challenging times

With the continuing prevalence of the COVID-19, the impending withdrawal of pandemic-related financial support measures and rising costs and prices, we recognise that consumers face challenging times.

During August we will be taking steps to look at how our existing consumer protections can help consumers who may find it increasingly difficult to pay energy bills and what can be done to provide extra support.



We will be engaging with energy companies over the coming weeks to ensure that they continue to have effective systems in place to help their customers and that all electricity and gas consumers know where to go for advice and help. This will be augmented by providing information on our website and to our key stakeholders to make sure they have all the information they need to support households. We will also work with government departments to ensure that all Northern Ireland consumers, especially the most vulnerable are protected this winter. We'll provide more information about our initiative in next month's newsletter.

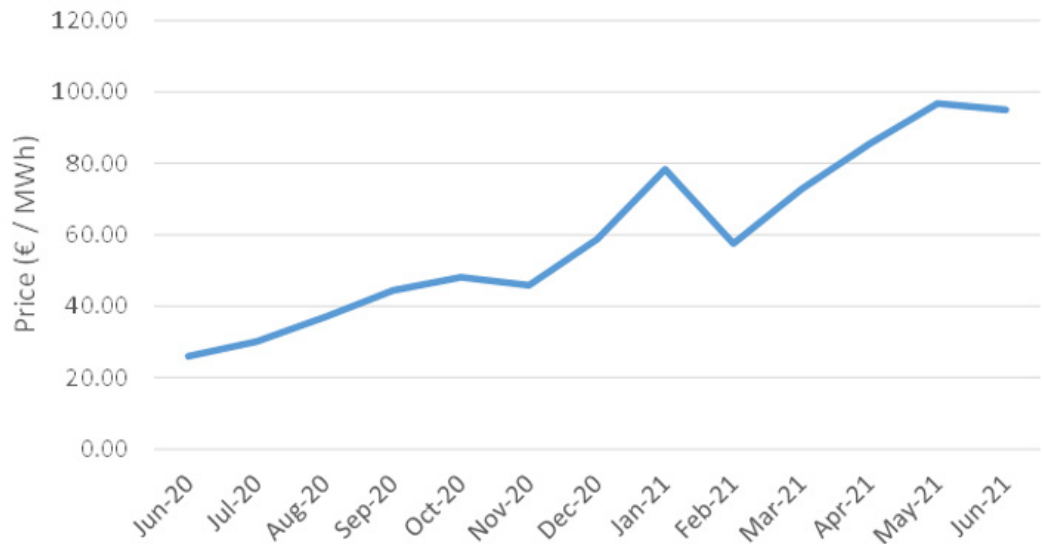
Wholesale electricity and gas price trends

Wholesale gas and electricity prices remain high. The average wholesale gas price for June 2021 increased by 466% in comparison to June 2020. This has a direct knock-on impact on the wholesale electricity price which was 266% higher in June 2021 compared to June 2020.

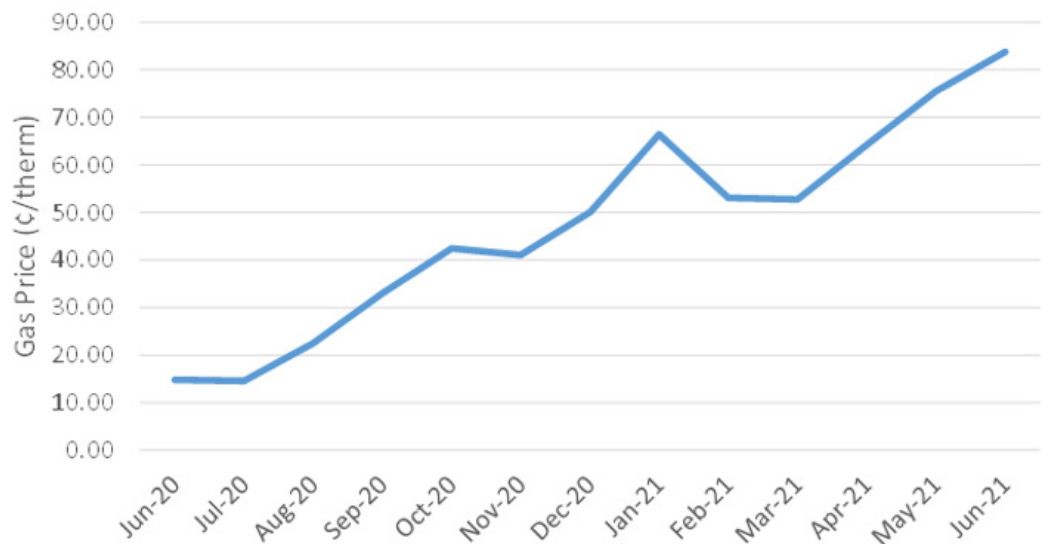
Higher electricity prices have not only been impacted by the increased gas prices, but also increased carbon costs which are up by 124% compared to June 2020. Average wind generation on the system across June 2021 decreased by 14% compared to the same period last year.

Roughly, wholesale electricity makes up 53% of a final domestic electricity bill, and wholesale gas makes up 50% of a final domestic gas bill. We investigate and analyse all elements that make up the end tariff for all electricity and gas consumers. We continue to keep the tariffs for price regulated electricity and gas suppliers under ongoing review. We have commenced the formal tariff review for the regulated gas companies with further information available in the coming weeks. There are no immediate plans to review the Power NI electricity tariff at this time. We continue to publish further pricing information on our website.

Average Monthly Electricity Day Ahead Market (DAM) Price



Average Monthly Gas Price (¢/therm)



Investing in the electricity network to enable a low carbon future

As the usage of Low Carbon Technologies (LCTs) increases so does the need to reinforce the electricity distribution network to cope with the additional load.

We introduced a mechanism during NIE Networks' price control (called RP6) to deal with the cost uncertainties related to the uptake of the LCTs (such as electric vehicles).

Having undertaken a mid-term review of NIE Networks' price control expenditure we are [providing additional investment](#) to support the roll out of LCTs.

Our additional total investment to support LCTs will be over £9 million to be spent over the remainder of the price control period, which ends next year. The bulk of the investment will allow for the installation of fast charging points, based on an estimated uptake of 20,000 new electric vehicles.



Seeking views on promoting innovation in our retail energy market

The UK government has set a 'Net Zero' target for carbon emissions by 2050. This transition to a low carbon future will transform how consumers use energy and engage with the energy industry.

We aim to ensure that the retail market regulatory framework does not impede energy suppliers from developing innovative products to facilitate greater consumer engagement in the energy transition. Encouraging energy suppliers to innovate—while still ensuring high levels of consumer protection—is something we believe will have long-term benefits for all energy consumers in Northern Ireland.

On 29 July we launched a [call for evidence](#) to help us identify whether aspects of the existing supply licence framework inhibit or prevent suppliers from innovating. We invite views from all stakeholders on the questions posed in this paper, by sending these to Colin Magee, colin.magee@uregni.gov.uk, by 4 p.m. on 31 August.

Update on our Domestic Marketing Code of Practice for energy suppliers

In January we issued a consultation on our Domestic Marketing Code of Practice. Our consultation sought stakeholder views on the issues of the prohibition on the use of annual bill or annual costs quotations in the Code for energy suppliers.

Having reviewed consultation responses [our position](#) is that now is not the appropriate time to make any changes to the Code. Specifically, there is the important context of the Department for the Economy's energy strategy development work, which may require a full Code review in due course.

While we therefore are not proposing an immediate change to the current format of the Code, we will review this again in the next 18-24 months, once the outcomes of the strategy are finalised.

STAFF PROFILE

Michael Campbell, Manager in our Retail and Consumer Protection directorate



Michael works as a manager in our team which oversees price controls and tariff reviews for regulated gas and electricity suppliers. He has extensive experience working in utility regulation and has been working in the team for 15 years.

Michael says: 'A big part of my job is interacting with colleagues and regulated companies to help with our analysis. I am leading the team that is currently working on the review of regulated gas tariffs and this means that I am spending a lot of time looking at financial and cost information.

This requires a lot of analytical rigour and attention to detail by me and the team. And while looking at financial information might be seen as dull by some I recognise that our work matters in the grand scale of things. At the end of the day my team and I are focused on making sure, through our analysis and scrutiny, that any changes to prices, that impact on consumers, can be justified.'

Job Opportunities

As an economic regulator, our role is to enable, incentivise, and hold electricity, gas, and water companies to account for providing the best levels of service to consumers in Northern Ireland.

Details about [job opportunities](#) within the Utility Regulator are on our website.

Help for consumers

Please click on the links for further details:

- [Electricity, gas and water companies contact information](#)
- [How to complain](#)
- [Getting the best price](#)
- [Customer Care Registers](#)
- [COVID-19/Debt advice](#)

Energy Efficiency Advice:

The NI Energy Advice Line Service managed by the NI Housing Executive, offers free comprehensive advice and support on how to save energy in the home and on assistance available.

Consumers can call 0800 111 44 55 during office hours.

Consultations/News Update

During July we published the following consultations and updates.

Please click on the links for further details:

- [Domestic Marketing Code of Practice - update on consultation](#)
- [Call for Evidence - review of supply licences to facilitate retail market innovation](#)
- [Decision on electricity network reinforcement to support Low Carbon Technology published](#)
- [Contestability in low voltage electricity connections - Next Steps Paper published](#)
- [UR Annual Report 2020-21 published](#)

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